



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

December 22, 2010

Mr. David Smith
Radiation Safety Officer
Shieldalloy Metallurgical Corporation
35 South West Boulevard, P.O. Box 768
Newfield, NJ 08344

SUBJECT: UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA
CIRCUIT REMAND OF AUTHORITY BACK TO THE U.S. NUCLEAR
REGULATORY COMMISSION FOR DECOMMISSIONING OF THE
SHIELDALLOY METALLURGICAL CORPORATION SITE IN NEWFIELD, NEW
JERSEY

Dear Mr. Smith,

On November 9, 2010, the U.S. Court of Appeals for the District of Columbia Circuit vacated the U.S. Nuclear Regulatory Commission's (NRC's) transfer of regulatory authority for decommissioning of the Shieldalloy Metallurgical Corporation (Shieldalloy) site in Newfield, New Jersey, to the state of New Jersey. The Circuit Court also remanded the matter of the transfer of regulatory authority over Shieldalloy back to the NRC for further proceedings.

In accordance with the Order issued November 9, 2010, by the Circuit Court, the NRC expects that the mandate or certified copy of the Circuit Court's judgment will be issued and effective on January 3, 2011. Once the mandate issues, the regulatory authority for Shieldalloy will revert back to the NRC, and the NRC license (License Number SMB-743) in effect on September 29, 2009, becomes applicable. For your convenience, a copy of License Number SMB-743 is enclosed. Although regulatory authority over Shieldalloy will rest with the NRC as of this date, it is the NRC staff's expectation that further review of the decommissioning plan will not commence until such time as the NRC resolves the remanded matter regarding the transfer of regulatory authority over Shieldalloy.

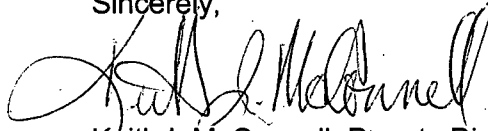
In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

D. Smith

2

If you have any questions about this matter, please contact Paul Michalak, Branch Chief, Materials Decommissioning Branch at Paul.Michalak@nrc.gov or 301-415-7612.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith I. McConnell". The signature is fluid and cursive, with a large initial "K" and "M".

Keith I. McConnell, Deputy Director
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Enclosure:
License Amendment No. 9

License Number: SMB-743
Docket No.: 40-7102

cc: SMC distribution list

Shieldalloy Metallurgical Corporation Service List

cc:

David Smith
Environmental Manager
Shieldalloy Metallurgical Corporation
Aluminum Products & Powders Division
14 West Boulevard
P.O. Box 768
Newfield, NJ 08344-0768

Eric Jackson, President
Shieldalloy Metallurgical Corporation
Aluminum Products & Powders Division
14 West Boulevard
P.O. Box 768
Newfield, NJ 08344-0768

Jill Lipoti, Ph.D., Assistant Director
Radiation Protection and Release
Prevention Programs
New Jersey Department of
Environmental Protection
P. O. Box 415
Trenton, NJ 08625-0415

Donna Gaffigan, Case Manager
New Jersey Department of
Environmental Protection
Bureau of Case Management
P.O. Box 028
Trenton, NJ 08625-0028

Trevor Anderson
Emergency and Remedial Response
Division
New Jersey Remediation Branch
280 Broadway 19th Floor
New York, NY 10007-1866

Loretta Williams
P.O Box 311
Newfield, NJ 08344

Newfield Public Library
Attn: Sue Mounier
115 Catawba Avenue
New Field, NJ 08344

Terry Ragone
P.O. Box 605
Newfield, NJ 08344
Newfield Residents Environmental Group

Marie Miller
Region I

The Honorable Richard Westergaard
Mayor of the Burrough of Newfield
18 Catawba Avenue
Newfield, New Jersey 08344

Gloucester County Board of Chosen
Freeholders
Attn: John H. Fisher, III
P.O. Box 337 Court House
Woodbury, NJ 08096

Cumberland County Board of Chosen
Freeholders
Attn: Ken Mecouch
790 E. Commerce Street
Bridgeton, NJ 08302

Gloucester County Department of
Public Works
Attn: Mayor Richard W. Westergaard
County Office Building
1200 North Delsea Drive
Clayton, NJ 08312

Kenneth C. Koschek
New Jersey Department of
Environmental Protection
P.O. Box 418
Trenton, NJ 08625-0418

Patricia Gardner
New Jersey department of
Environmental Protection
P.O. Box 413
Trenton, NJ 08625-0415

Newfield Public Library
Attn: Sue Mounier
115 Catawba Avenue
Newfield, NJ 08344